

**This documents is redacted for confidentiality reasons**

## SETTLEMENT AGREEMENT

This Settlement Agreement is made as of March 31, 2020 and is

Among:

[REDACTED], a British Columbia company having an address at [REDACTED]  
[REDACTED]  
[REDACTED] (“[REDACTED]”)

And:

**G2BE Europe Limited**, a Malta company having its registered office at San Gwann, Bella Vista, Court B, loc. 14, Triq Bella Vista, San Gwann SGN 2698 Malta, registration number [REDACTED] represented by Director Slawomir Smulewicz

(“G2BE”)

And:

**Green 2 Blue Energy Corp.**, a British Columbia company having at address at 1518 – 800 West Pender Street, Vancouver, BC V6C 2V6

(“Green”)

## BACKGROUND

A. [REDACTED] as the “Lender”, G2BE as the “Borrower” and Green as the “Guarantor” entered into an agreement concluded on August 25, 2019 (the “Loan Agreement”). The Loan Agreement provides, among other things, for:

- (a) [REDACTED] to lend G2BE up to Cdn\$200,000 in cash advances with interest at the rate of 8% per annum (the “Loan”);
- (b) the Loan to be guaranteed by Green; and
- (c) the Loan to be secured by a pledge of certain assets and, accordingly G2BE Poland Sp. z o.o. (“G2BE Poland”) entered into a Pledge of Assets Agreement in favour of [REDACTED]

B. Pursuant to an Assignment Agreement made as of November 29, 2019 among [REDACTED] G2BE and Green, [REDACTED] assigned to [REDACTED] all of [REDACTED]’s right, title and interest in and to the Loan, including pursuant to the Loan Agreement, the guarantee given by Green and the Pledge of Assets given by G2BE Poland.

C. On December 2, 2019, [REDACTED] G2BE and Green entered into an Amendment to the Loan Agreement (“Amendment”). The Amendment provides, among other things, for:

- (a) [REDACTED] to lend G2BE up to Cdn\$300,000 in cash advances;
  - (b) the Loan to be repaid on February 28, 2020; and
  - (c) [REDACTED] to have the right to claim the assets pledged under the Pledge Agreement if the Loan is not repaid by March 10, 2020
- D. [REDACTED] G2BE and Green are entering into this Settlement Agreement to set forth the terms on which the Loan may be repaid.

**NOW THEREFORE**, in consideration of the premises, the sum of \$1 now paid by each of the parties to the others and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties covenant and agree each with the others as follows:

1. G2BE and Green hereby jointly and severally represent and warrant, covenant and agree with [REDACTED] as follows:
  - (a) Green is a public company; its common shares being publicly traded on the Canadian Securities Exchange (“CSE”).
  - (b) Green has not filed the periodic disclosure required by the Legislation as a result of this the British Columbia Securities Commission (“BCSC”) issued a Cease Trade Order (“CTO”) against Green on January 30, 2020 and Green is suspended pursuant to CSE Policy 3 for failure to maintain continued listing requirements. The suspension is considered a Regulatory Halt as defined in National Instrument 23-101 Trading Rules.
  - (c) On July 22, 2019, Green was served with a notice of civil claim, filed on July 11, 2019 with the Supreme Court of British Columbia, by Plaintiffs under the Class Proceedings Act, RSBC 1996, c 50, naming Green as a defendant along with 86 additional defendants, in connection with allegations of the inappropriate use of the exemption from prospectus requirements contained in Section 2.12 of National Instrument 45-106 Prospectus Exemptions, and the disclosure records of the Company in respect of distributions of securities to consultants using such exemption.

Green also had a regulatory hearing submission before the BCSC in respect of the allegation of misuse of the exemption from prospectus requirements contained in section 2.12 of National Instrument 45-106 and connected agreements with consultants of the Company. As at March 31, 2020, no decision has been received.

The outcome of the civil claim and the BCSC hearing cannot be determined at this point in time.

- (d) The forms, reports, news releases, financial statements, annual information forms and other documents filed by Green on SEDAR (System for Electronic Document Analysis and Retrieval), taken as a whole, do not contain any untrue

statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

- (e) Green owns all of the issued and outstanding shares of G2BE, all of which have been issued as fully paid and non-assessable and all of which are free and clear of any liens, charges or encumbrances.
- (f) G2BE owns 9,900 out of 10,000 of the issued and outstanding shares of G2BE Poland, all of which have been issued as fully paid and non-assessable and all of which are free and clear of any liens, charges or encumbrances; and the other 100 of the issued and outstanding shares of G2BE Poland are owned by G2BE Canada Inc.
- (g) Green owns all of the issued and outstanding shares of G2BE Canada Inc. (“G2BE Canada”) all of which have been issued as fully paid and non-assessable and all of which are free and clear of any liens, charges or encumbrances.
- (h) With respect to each of Green, G2BE, G2BE Poland and G2BE Canada, taking into account the above statements:
  - (i) such company has been duly incorporated, is validly existing and is in good standing under the laws of the jurisdiction of its incorporation;
  - (ii) there is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or threatened against or relating to such company;
  - (iii) there is not presently outstanding against such company any judgement, decree, injunction, rule or order of any court, governmental authority, commission, agency, instrumentality or arbitrator; and
  - (iv) such company has not received any notices to the effect that its business or assets are not in full compliance with all of the requirements of applicable governmental, federal, provincial or local environmental, health and safety statutes and regulations.
- (i) G2BE has no liabilities other than invoices for services, loan from Green and loan from [REDACTED] G2BE Poland has no liabilities other than set out in Schedule “A” hereto, the loan from Green and the loan from G2BE Canada; and G2BE Canada has no liabilities other than the loan from Green.

All of the representations and warranties, covenants and agreements set forth above shall survive repayment of the Loan in accordance with this Settlement Agreement.

2. The parties agree that as of March 31, 2020, the amount outstanding under the Loan was Cdn\$301,594.52.

3. The parties agree that repayment of the Loan may be made by, and the Loan shall be deemed to be repaid in full upon:
  - (a) Green transferring to [REDACTED] all of the issued and outstanding shares of G2BE, free and clear of all liens, charges and encumbrances, and delivering to [REDACTED] a share certificate for such shares registered in the name of [REDACTED] a copy of the resolutions of the directors of G2BE approving the transfer of such shares to [REDACTED] and
  - (b) Green transferring to [REDACTED] all of the issued and outstanding shares of G2BE Canada Inc., free and clear of all liens, charges and encumbrances, and delivering to [REDACTED] a share certificate for such shares registered in the name of [REDACTED] a copy of the resolutions of the directors of G2BE Canada Inc. approving the transfer of such shares to [REDACTED]
4. Upon execution of this Settlement Green hereby assigns all of its right, title and interest in and to the all existing and outstanding loans and all other amounts owing between Green and G2BE Canada Inc., GTBE, G2BE Poland Sp. z o.o. and G2BE Production Sp. z o.o., to [REDACTED] for its own use absolutely, with the right to sue in its own name free and clear of all liens, charges or encumbrances.
5. Upon the Loan being deemed to be repaid in full in accordance with Section 3 above, G2BE shall have no further obligations to [REDACTED] with respect to the Loan, Green shall have no further obligations to [REDACTED] with respect to its guarantee of the Loan and the Pledge of Assets given by G2BE Poland shall be released.
6. Each of G2BE, Green and [REDACTED] agrees that it will from time to time and at all times hereafter execute and deliver all such further documents and instruments and do all acts and things to carry out the full intent and meaning of this Agreement.
7. This Agreement shall be binding upon and enure to the benefit of the parties and their respective successors and assigns.
8. The Agreement is subject to the Policies of the Canadian Securities Exchange, Applicable Securities Laws and shareholder approval, if applicable. This Agreement shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and applicable Canadian law and shall be treated in all respects as a British Columbia contract.
9. This Agreement may be executed in counterparts and delivered by facsimile or other electronic transmission.

The parties have executed this Settlement Agreement under seal with the intention of being legally bound.

By:

\_\_\_\_\_  
Authorized Signatory

c/s

\_\_\_\_\_  
Authorized Signatory

c/s

**Green 2 Blue Energy Corp.**

By:

\_\_\_\_\_  
Authorized Signatory

c/s

Consolidated statement of financial position of G2BE Group Poland (G2BE Production+ G2BE Poland +G2BE Zaklad) as at December 31, 2019

(prepared 14.02.2020)

Assets	CONSO		Liabilities	CONSO	
	31.12.2019			31.12.2019	
<b>A. FIXED ASSETS</b>	<b>3,523,163.37</b>		<b>A. Equity</b>	<b>-1,201,761.79</b>	
I. Intangible assets	0.00		I. Share capital	595,050.00	
1. Costs of concluded R&D	0.00				
2. Goodwill	0.00				
3. Other intangible assets	0.00				
4. Advances for intangible assets	0.00		II. Due contributions to share capital (negative value)	0.00	
II. Tangible fixed assets	3,523,163.37				
1. Fixed assets	3,523,163.37				
a. Land (including the right to perpetual usufruct of la	0.00		III. Own shares (negative value)	0.00	
b. buildings, premises, civil and hydro engineering con	237,078.74				
c. Technical equipment and machinery	953,399.60		IV. Supplementary capital	8,109,000.00	
d. Vehicles	155,507.40				
e. Other fixed assets	24,975.22		V. Capital from revaluations	0.00	
2. Fixed assets under construction	1,937,161.76				
3. Advances for fixed assets under construction	215,040.65		VI. Other reserve capital	0.00	
III. Long-term receivables	0.00				
1. From affiliates	0.00		VII. Profit (loss) brought forward	-8,618,911.53	
2. From others	0.00				
IV. Long-term investments	0.00		VIII. Net profit (loss)	-1,286,900.26	
1. Property	0.00				
2. Intangible assets	0.00		IX. Deductions from net profit during business year (negative value)	0.00	
3. Long-term financial assets	0.00				
a. in affiliates	0.00				
- shares	0.00				
- other securities	0.00				
- loans granted	0.00				
- other long-term financial assets	0.00				
b. others	0.00				
- shares	0.00				
- other securities	0.00				
- loans granted	0.00				
- other long-term financial assets	0.00				
4. Other long-term investments	0.00				
V. Long-term accruals	0.00				
1. Assets from deferred income tax	0.00				
2. Other accruals	0.00				
<b>B. WORKING ASSETS</b>	<b>1,500,320.45</b>		<b>B. LIABILITIES AND PROVISIONS FOR LIABILITIES</b>	<b>6,225,245.61</b>	
I. Stocks	219,749.51		I. Provisions for liabilities	0.00	
1. Materials	120,361.28		1. Provision for deferred income tax	0.00	
2. Semi-products and products in progress	0.00		2. Provision for pension and similar payments	0.00	
3. Finished products	0.00		- long-term	0.00	
4. Goods	99,388.23		- short-term	0.00	
5. Advances for deliveries	0.00		3. Other provisions	0.00	
II. Short-term receivables	734,422.30		- long-term	0.00	
1. Receivables from affiliates	0.00		- short-term	0.00	
a. for deliveries and services with a repayment period	0.00				
- up to 12 months	0.00		II. Long-term liabilities	559,464.81	
- over 12 months	0.00		1. To affiliates	0.00	
b. others	0.00		2. Others	559,464.81	
2. Receivables from other entities	734,422.30		a. credits and loans	0.00	
a. for deliveries and services with a repayment period	414,489.58		b. for the issue of debt securities	0.00	
- up to 12 months	414,489.58		c. other financial liabilities	559,464.81	
- over 12 months	0.00		d. others	0.00	
b. health insurance contributions, and other payments	242,768.10				
c. others	77,164.62				
d. pursued in the courts	0.00				
III. Short-term investments	526,103.61		III. Short-term liabilities	5,665,780.80	
1. Short-term financial assets	526,103.61		1. To affiliates	811,780.55	
a. affiliates	0.00		a. for deliveries and services with payment due	0.00	
- shares	0.00		- up to 12 months	0.00	
- other securities	0.00		- over 12 months	0.00	
- loans granted	0.00		b. others	811,780.55	
- other short-term financial assets	0.00		2. Others	4,854,000.25	
b. others	267,485.23		a. credits and loans	1,032,796.45	
- shares	0.00		b. for the issue of debt securities	0.00	
- other securities	0.00		c. other financial liabilities	256,078.74	
- loans granted	267,485.23		d. for deliveries and services with payment due	2,960,660.45	
- other short-term financial assets	0.00		- up to 12 months	2,960,660.45	
c. cash and other cash assets	258,618.38		- over 12 months	0.00	
- cash in hand and bank account	258,618.38		e. advances received for deliveries	0.00	
- other cash	0.00		f. bill of exchange liabilities	0.00	
- other cash assets	0.00		g. for taxes, customs, insurances and other payments	388,865.85	
2. Other short-term investments	0.00		h. for wages and salaries	214,511.89	
			i. others	1,086.87	
IV. Short-term accruals	20,045.03		3. Special funds	0.00	
			IV. Accruals	0.00	
			1. Negative goodwill	0.00	
			2. Other accruals	0.00	
			- long-term	0.00	
			- short-term	0.00	
<b>Total assets</b>	<b>5,023,483.82</b>		<b>Total liabilities</b>	<b>5,023,483.82</b>	